

OFFICEHOLDER EXPENSE RULE

R2-20-104(F)

- F. Officeholder Expenses. Prior to April 30 of an election year, an elected official may raise or spend money to defray the expense of performing officeholder duties, and the event or item purchased shall be completed or otherwise used and depleted prior to April 30 of an election year, as follows:
1. The candidate may first exhaust all surplus monies from prior campaign accounts pursuant to subsection B of this rule or may use personal monies for officeholder expenses;
 2. Money raised shall be only from individuals and the maximum raised from an individual during the election cycle shall not exceed one-half the early contribution limit;
 3. The sum of the money raised or spent shall not exceed 2 times the early contribution limit applicable to the officeholder's current office;
 4. For an officeholder's future campaign as a:
 - a. Participating candidate-
 - i. Money raised pursuant to this subsection will not be deemed early contributions, and
 - ii. Personal money spent pursuant to this subsection shall not apply to personal money expenditure limits provided in A.R.S. §16-941(A)(2).
 - b. Nonparticipating candidate-
 - i. Money raised or spent pursuant to this subsection will not be calculated in matching funds to opponents as provided in A.R.S. §16-952, and
 - ii. Money raised or spent pursuant to this subsection will not trigger the reporting requirements provided in A.R.S. §§16-941(D) & -958.
 5. Any money raised or spent in excess of the limits established in this rule, however, shall be calculated as early contributions or personal monies for participating candidates, or for matching funds and reporting requirements for nonparticipating candidates.
 6. Money raised or spent for officeholder expenses shall be reported under campaign finance reporting requirements pursuant to A.R.S. Title 16, Chapter 6, Article 1 as follows:
 - a. The officeholder shall establish an account for officeholder expenses, which shall be separate from any candidate campaign account;
 - b. The account shall be designated on the statement of organization as "Officeholder Expense Account;" and
 - c. Any money remaining in the officeholder expense account after April 30 of an election year shall either not be spent for the remainder of the calendar year, or shall be remitted to the Clean Elections Fund;
 7. Money in the officeholder expense account shall not be used for direct campaign purposes or in connection with the officeholder's future campaign for elective office; and
 8. Permissible uses of the money in the officeholder expense account include:
 - a. Expenditure for office equipment and supplies;
 - b. Expenditures for work-related travel;
 - c. Donations to tax-exempt charitable organizations; or
 - d. Expenditures to meet or communicate with constituents.
- G. A participating candidate may raise early contributions for election to one office and choose to run for election to another office.

- H. If the Commission has reason to believe by a preponderance of the evidence that a participating candidate is not in compliance with the Act or Commission rules, the Commission may decertify a candidate, deny or suspend funding, order repayment of funds, or specify a penalty of no more than \$500.
- I. Contributions to officeholder expense accounts are subject to the restrictions of A.R.S. § 41-1234.01, contributions prohibited during session; exceptions.